

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF PENDLETON)	CASE NO.
COUNTY WATER DISTRICT FOR A)	2004-00318
PURCHASED WATER ADJUSTMENT)	

O R D E R

On August 16, 2004, Pendleton County Water District ("Pendleton") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Pendleton purchases water from Northern Kentucky Water District ("Northern Kentucky") and the city of Falmouth ("Falmouth").
2. Northern Kentucky notified Pendleton that, effective with Northern Kentucky's August 16, 2004 billing, Pendleton's wholesale water rate would increase from \$2.30 per 1,000 gallons to \$2.40 per 1,000 gallons. Falmouth notified Pendleton County that, effective with Pendleton's March 2004 usage, Pendleton's wholesale rate would increase from \$1.85 per 1,000 gallons to \$1.98 per 1,000 gallons. Pendleton proposes to increase the water rates to its customers effective August 16, 2004.
3. During the 12 months ending July 2004, Pendleton purchased 84,055,800 gallons of water from Northern Kentucky, 48,929,800 gallons from Falmouth, and it sold

124,613,143 gallons. The increase in the cost of purchased water is \$14,766.44, resulting in a purchased water adjustment of \$0.12 per 1,000 gallons.

4. The purchased water adjustment of \$0.12 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Pendleton are approved.
2. The purchased water adjustment of \$0.12 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after August 16, 2004.
3. The proposed tariff sheets filed by Pendleton are accepted as filed.

Done at Frankfort, Kentucky, this 10th day of September, 2004.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2004-00318 DATED September 10, 2004

The following rates and charges are prescribed for the customers in the area served by Pendleton County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x 3/4 Inch Meter

First	2,000 gallons	\$ 19.34	Minimum bill
Next	3,000 gallons	8.32	per 1,000 gallons
Next	10,000 gallons	7.82	per 1,000 gallons
All Over	15,000 gallons	6.72	per 1,000 gallons

Pendleton County High

First	125,000 gallons	\$861.70	Minimum Bill
Over	125,000 gallons	6.72	per 1,000 gallons

Griffin Industries

First	400,000 gallons	\$2,728.80	Minimum Bill
Over	400,000 gallons	6.72	per 1,000 gallons

City of Butler

First	1,672,917 gallons	\$5,052.21	Minimum Bill
Over	1,672,917 gallons	3.02	per 1,000 gallons